Ministry of Finance

Plan for 2017-18

Government of Saskatchewan

Table of Contents

Statement from the Minister 1

Response to Government Direction 2

Operational Plan 3

Highlights 7

Financial Summary 8

Statement from the Minister

The Honourable
Kevin Doherty

Minister of Finance

I am pleased to present the Ministry of Finance Plan for 2017-18.

Government Direction and Budget for 2017-18 is focused on *Meeting the Challenge*, finding the right balance between addressing the deficit and ensuring that Saskatchewan people continue to have the programs, services and infrastructure that they need. Government will deliver sustainable, high quality public services in the most cost-effective way possible.

I accept responsibility for ensuring that the Ministry is managed with integrity and professionalism and supports Government's commitments.

We will report on the progress made on this Plan in the Ministry's 2017-18 Annual Report.

The Honourable Kevin Doherty

Minister of Finance

Response to Government Direction

The Government of Saskatchewan is committed to *Meeting the Challenge* of the current fiscal situation. In so doing, Government will continue to support and encourage economic growth, and ensure government services are affordable and sustainable in the long term. This will include pursuing transformational change so that Saskatchewan people have the programs, services and infrastructure they need now and in the future.

This focus will continue to advance Government toward the realization of Saskatchewan's Vision and goals.

Saskatchewan's Vision

"... to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Saskatchewan's Vision and goals provide the framework for ministries, agencies and partners to align their programs and services and meet the needs of Saskatchewan's residents.

All ministries and agencies will report on progress in their 2017-18 annual reports.

Operational Plan

Mandate Statement

The Ministry of Finance is responsible for oversight of government revenue, expenditures, assets and liabilities. Finance is the lead ministry for fiscal policy; budget development and integrity; managing provincial debt; designing and administering fair, efficient, and competitive tax regimes; pension and benefit administration; labour relations advice to government; ensuring accountability to both the public and the Legislative Assembly for the use of public funds; and ensuring effective financial management and accounting policies and procedures.

Mission Statement

The Ministry of Finance supports excellence in governance and public administration through expertise, leadership and services in the areas of economics, finance and tax.

Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Strategic priorities from the Saskatchewan Plan for Growth: investing in infrastructure and planning for growth; tax competitiveness; and building a competitive business environment.

Ministry Goal

The Ministry of Finance supports government decision making through our expertise and leadership.

Strategy

To support effective and efficient decision making we must provide high quality analysis, and expert and balanced advice; and must focus time and attention to expand our knowledge and skill set to new and evolving policy areas to strengthen our ability to be proactive and innovative in providing advice.

Key Actions

- Support Government's commitment to transformational change.
- Continue to increase knowledge and capacity related to summary budgeting and reporting and address impacts on planning, budgeting, improvement, and reporting processes.
- Continue to work with ministries and agencies to develop and analyze budget options that align with Government's priorities.
- Work with SaskBuilds, ministries and others on innovative financing, design and delivery of the Saskatchewan Builds Capital Plan.
- Provide guidance and advice to ministries and public sector employers on effective communication and collective bargaining strategies designed to achieve collective agreements within the parameters established by Cabinet.
- Continue to work with ministries and the federal government to develop fair and effective federal/provincial agreements that address common interests.
- Participate in ongoing discussions with federal, provincial and territorial governments on issues related to the major intergovernmental fiscal arrangements, including transfer in support of health care, post-secondary education and social programs.
- Review provincial tax policies to ensure they align with the priorities and actions set out in the Saskatchewan Plan for Growth and that specific policies and actions are affordable within a balanced budget.
- Determine opportunities and gaps in research capacity and bring forward a plan.

- Develop and implement a plan to enhance the Ministry's knowledge and use of data analytics.
- Research and implement best practices for approaching and presenting information to decision makers.
- Strengthen partnerships with ministries to enhance our learning and capacity through their expertise.

Performance Measures

Income and Sales Taxes Paid by Representative Taxpayers

Interprovincial Tax Comparisons for Selected Average Family Profiles

Government Goals

Sustaining growth and opportunities for Saskatchewan people | Meeting the challenges of growth | Securing a better quality of life for all Saskatchewan people | **Delivering responsive and responsible government**

Strategic priorities from the Saskatchewan Plan for Growth: ensuring fiscal responsibility through balanced budgets, lower debt, and smaller, more effective government.

Ministry Goal

Support excellence in governance and management and ensure accountability and compliance through our policies, frameworks, reporting and oversight.

Strategy

The Ministry will provide continuing leadership in implementing the Planning and Accountability Management System across government while also improving internal management reporting, policies and processes to enhance decision making and accountability within Finance. The Ministry will also continue its work to evolve knowledge, processes and systems related to planning, forecasting, budgeting and reporting to the summary entity.

Key Actions

- Provide government wide reporting through Public Accounts and Annual Reports, including reporting on the Saskatchewan Plan for Growth goals.
- Work with ministries, agencies, boards and Crowns to help understand and meet the requirements of planning, forecasting, budgeting, continuously improving and reporting within the summary entity.
- Implement Planning and Accountability Management System recommendations and work with ministries and oversight bodies to provide reinforcement and ensure compliance.
- Implement continuous improvement recommendations of the Planning and Accountability Management System, ensuring continued relevance and usefulness.
- Establish metrics to measure achievement of the Ministry's Strategic and Operational Plans.
- Monitor and improve Ministry/Division/Branch and individual plans to ensure alignment and relevance to achieve desired future state.
- Ensure government wide financial management policies and procedures are sound and the accounting policies are in accordance with Public Sector Accounting Board pronouncements.
- Oversee the internal controls of the Government financial systems and make improvements.
- Promote compliance with Saskatchewan's tax programs through taxpayer education and responsible, effective enforcement.
- Provide communication strategies that deliver timely, relevant and effective information for external audiences.

Performance Measures

Benefit-Cost Ratio of Taxation Audit and Compliance Activities

Audit and compliance assessments of unreported tax and tax errors will be 395% of direct costs.

Timeliness of the Release of Public Accounts, Volumes 1 and 2

The Public Accounts, Volume 1 will be tabled with the Legislature by August 1 and Volume 2 will be tabled by October 31.

Percentage of Entities Meeting Tabling Deadline

100 per cent of Government entities table their financial statements with the Legislature within 120 days of their year-end.

Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Strategic priorities from the *Saskatchewan Plan for Growth*: ensuring fiscal responsibility through balanced budgets, lower debt, and smaller, more effective government.

Ministry Goal

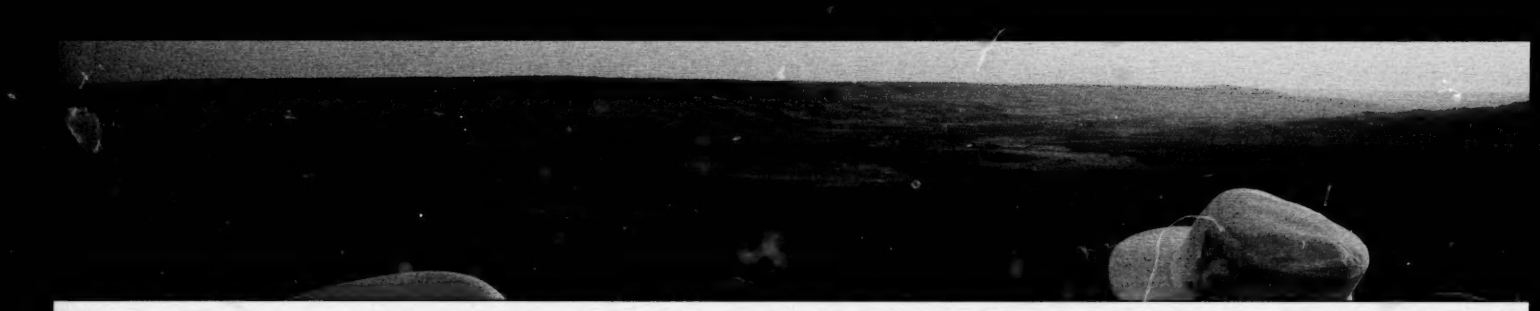
The Ministry of Finance programs and services meet stakeholder client needs in the most effective and efficient manner.

Strategy

The Ministry of Finance is committed to ensuring that our programs and services are not only aligned to government direction, but also meet client needs. In achieving this goal, we will utilize continuous improvement tools throughout the Ministry and maximize the use of Information Technology.

Key Actions

- Continue replacement of the Revenue Management System.
- Establish and implement a Ministry-wide continuous improvement plan including transformational change initiatives within the Ministry.
- Improve client service by gathering customer input, better understanding needs, and addressing gaps.
- Replace Pension Administration Systems with one system to manage all plans.
- Develop and implement a plan to comply with Government's Digital Strategy.
- Ensure our IT investments meet Ministry and client needs and resources are aligned with strategic priorities.
- Move all systems to modern, supported platforms by 2020.
- Provide accounts payable and travel expense claim processing services for executive government and continue to refine processes to maximize efficiencies.
- Provide cash management, investment and capital borrowing services for the General Revenue Fund, Crown corporations and other government agencies.
- Provide advice, governance and administrative services to pension and benefit plan boards and participating employers as well as payment and support services to active and retired plan members.
- Assist public sector employers in strategy development and problem resolution as collective bargaining proceeds.



Performance Measures

Client Satisfaction of Businesses which Collect Taxes on Behalf of Government

The biennial client satisfaction survey results in a satisfaction rating of 90 per cent or higher.

Percentage of Tax Payments Processed Electronically

60 per cent of tax payments received will be processed electronically.

Number of Farmers that Applied for Fuel Tax Permit Renewals Online

16,200 or more farmers will file permit renewals online.

Purchase Card Usage in the Government

A target of 200,000 transactions totaling $90 million dollars will be processed through the use of purchase cards.

Direct Deposit and Electronic Advice Usage for Supplier Payments

Direct deposits will be used for 72 per cent of supplier payments and 15 per cent of advices will be distributed electronically.

Government Goals

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Delivering responsive and responsible government

Strategic priorities from the Saskatchewan Plan for Growth: ensuring fiscal responsibility through balanced budgets, lower debt, and smaller, more effective government.

Ministry Goal

The Ministry of Finance is an employer of choice.

Strategy

The Ministry of Finance will enhance our culture and strengthen human resource planning and practices to attract and retain high quality employees.

Key Actions

- Continue to refresh and implement the Ministry's Culture Sustainment Plan.
- Continue to develop and implement a comprehensive human resources plan.
- Identify strategies to strengthen and ensure consistent application of human resource management practices.

Performance Measures

Performance measures to be developed as part of the Human Resource Plan.

Highlights

2017-18 Budget Highlights:

- The 2017-18 expense budget for the Ministry's operations is $51.4 million.
- When Pensions and Benefits for all of government are included the budget increases to $354.6 million.
- The Ministry's FTE count (Full-time equivalent staff) for 2017-18 is 337.4, an increase of 7 from 2016-17.
- The Ministry's 2017-18 budget provides:
  - $303.2 million for Pensions and Benefits funding requirements;
  - $2.46 million reduction in net expense, excluding pensions and benefits, from 2016-17; and
  - $12.2 million in government-owned capital to continue replacement of the new Revenue Management System.

Other Ministry Highlights:

- Approves financial statements for 129 government agencies, which are to be tabled within 120 days of the agencies' fiscal year end. Saskatchewan has achieved 97 per cent of entities meeting the tabling deadline, which has been trending upwards from a low of 76 per cent in 2006-07.
- The Ministry produces approximately 350,000 payments to suppliers, grant recipients, employees and for government programs and supports approximately 10,000 financial system users.
- Tax revenue, refund and incentive programs are provided to approximately 62,000 businesses and 32,000 farmers annually by Ministry staff.
- Effectively forecast and manage the government's cash and debt requirements.
- Produce budget reviews, production of Estimates and quarterly reports, and publication of ministry plans and annual reports within the respective deadlines.
- Provide advice to the Sub-Committee on Public Sector Bargaining for 39 collective bargaining agreements covering more than 62,000 FTEs, as well as the agreement with Saskatchewan Medical Association covering approximately 2,200 physicians. Also provides advice to government on compensation matters for approximately 9,200 out-of-scope FTEs.
- Generate tax revenue and promote compliance with tax programs using risk-based audit and enforcement activities.

Public Employees Benefits Agency (PEBA)

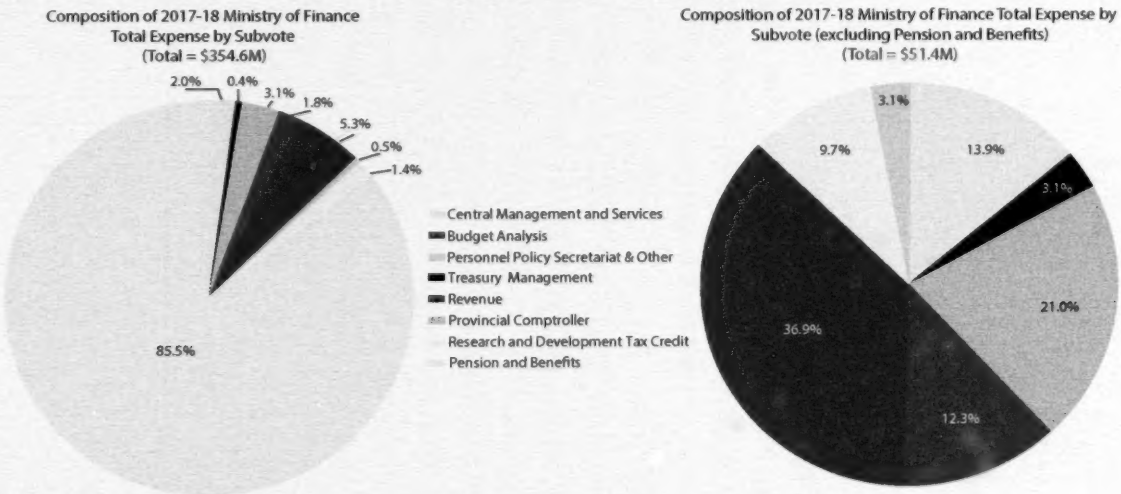
- PEBA is an agency within the Ministry of Finance responsible for administering 12 pension plans for more than 95,000 members and 900 employers, and 23 benefits plans for over 91,000 member accounts.
- PEBA operates as a revolving fund. The costs incurred are charged to pension and benefit plans administered by PEBA.
- Most of the plans administered by PEBA are governed by a body established by statute that is responsible for the administration of the plan, holds in trust the assets of the plan and approves the expenditure budget for the administration of the plan.
- PEBA highlights include:
  - In 2016, PEBA received over $595 million in combined member and employer pension contributions and over $77 million in combined member and employer benefit contributions.
  - In 2016, PEBA processed over $328 million in pension payments to over 14,000 pensioners for all plans administered and oversaw over $66 million in benefit payments.
  - PEBA monitors 53 investment managers, who have invested $11.9 billion in pension and benefit assets in 100 investment mandates.
  - PEBA staff made 87 presentations to over 2,300 pension members and conducted approximately 1,700 individual retirement planning consultations.
  - Pension staff handle over 40,000 phone calls and 12,000 e-mails annually.
  - PEBA is responsible for preparing 24 financial statements for tabling in the Legislature.

Financial Summary

2017-18 Estimates	(in thousands of dollars)
Central Management and Services	$7,147
Treasury Management	1,575
Provincial Comptroller	10,800
Budget Analysis	6,318
Revenue	31,115
Personnel Policy Secretariat	510
Research and Development Tax Credit	5,000
Miscellaneous Payments	23
Appropriation	**62,488**
Capital Asset Acquisition	(12,195)
Non-Appropriated Expense Adjustment	1,060
Expense	**51,353**
Public Service Pensions and Benefits	303,202
Total Expense	**354,555**
Total Appropriation	**365,690**

FTE Staff Complement	337.4

For more information, see the Budget Estimates at: http://www.saskatchewan.ca/budget



For More Information

Please visit the Ministry's website at http://www.saskatchewan.ca/government/government-structure/ministries/finance